

Evergreen ♦ East Hills Vision Strategy
Task Force Meeting #3
Wednesday, October 19, 2005

Task Force Members Present:

Chair Dave Cortese, Vice-Chair Nora Campos, Councilmember Madison Nguyen, Jenny Chang, Bob Levy, Felipe Juarez, J. Manuel Herrera, Mark Milioto, Mike Hill, Joe Head, Steve Dunn, Al Munoz, Khanh Nguyen, George Perez, Vince Songcayawon, Ike White, Homing Yip, Nancy Dellamaterra, Chris Corpus, Alan Covington, Lou Kvitek, Dave Zenker, Gordon Lund, Carolyn Gonot, Sylvia Alvarez, Maria Lopez, Steven Cox, Jim Zito

Members of the Public Present:

Terry Gotcher, Alan Garofalo, Linda Montagano, Richard Lambie, Victor DeMello, Shawna Sanders, Brian Darrow, George Reilly, Stephanie Schaaf, Kulwant Sidhu, Katja Irvin, Susan Mineta, Ed Abelite, Kelly Erardi, Charles Welsh, Carol Ashman, Wesley Lee, Howard Cho, Carlos DaSilva, José Aranda, Mark Lazzarini, Todd Jos, Ruben Dominguez, Tony Montagano, George Silvestri, Dan Gould, Charles Perrotta

Developer Community Present:

Mike Keaney, Patrick Spillane, Gretchen Sauer

Staff Present:

Kip Harkness, Laurel Prevetti, Andrew Crabtree, John Baty, Manuel Pineda, Paul Krutko, Nanci Klein, Rabia Chaudhry, Louansee Moua, Todd Rufo

Welcome and Introductions

- Kip Harkness, manager of the City's Strong Neighborhoods Initiative program with the City Manager's Office facilitated the meeting. He reviewed the meeting ground rules emphasizing: (1) active listening and (2) respect.
- Vice-Chair Nora Campos, District 5, introduced Councilmember Madison Nguyen, District 7, to her first Evergreen ♦ East Hills Vision Strategy Task Force meeting.

Logistics

- Chair Dave Cortese, expressed concern regarding the lack of consensus in the Task Force's past dialogue. He emphasized the importance of upholding the Guiding Principles.
- Felipe Juarez expressed concern that task force members would be limited to what they can say and recommended that staff address the Task Force's comments in writing or verbally at the next Task Force meeting.
- Vice-Chair Nora Campos, requested that the meeting agenda be changed to end at 8:30 PM and that staff would provide verification that they are responding to all questions raised that the Task Force meetings.
- Jim Zito suggested adding the following items to the next meeting's agenda: (1) Notice of Preparation, and (2) work plan revisions. *(1) Staff mentioned that it would not be*

necessary because comments could be provided tonight and at two scoping meetings. (2) Staff will prepare a revised work plan.

- J. Manuel Herrera noted that the East Side Union High School District (ESUHSD) Board of Trustees meeting on October 20, 2005 will discuss high school issues as related to the Evergreen ♦ East Hills Vision Strategy.

September 21, 2005 Meeting Summary

- Need to clarify that Clif Black is the new Evergreen Elementary School District Superintendent.

Outreach Update

- Laurel Prevetti, Deputy Director of the Planning, Building and Code Enforcement (PBCE) Department, indicated that the Department of Transportation (DoT) would hold a workshop on how the City performs traffic analyses. The workshop date is still to be determined. The Task Force and general public are welcome to attend the workshop.
- Laurel stated that the City has followed up with the school district Superintendents regarding high school issues and student generation rates. Mr. Herrera offered to create a forum for ESUHSD Board members and interested community members to meet on high school issues.

Environmental Impact Report Process Update

- Laurel explained that the public would have 30 days to respond to the draft EIR. The EIR public scoping meeting will take place on Thursday, October 27, 2005.
- A Task Force member asked how can we get an issue to be analyzed in the EIR? *Laurel explained that each proposed issue or comment would be looked at on a case-by-case basis to determine whether it should be analyzed in the EIR.*
- Jim Zito suggested adding an alternative that looks at the minimum scenario of each of the four opportunity sites if Campus Industrial is retained, similar to scenario VI. Need to understand the potential fallout. Mr. Zito added that the EIR should study what would happen if the light rail were not introduced into the area and would like to see traffic studies for Saturdays and Sundays with the suggestion to look at the 6 to 10 time frame since there are not any peak hours on weekends.

Outreach Calendar

- A Task Force member asked if the December 20th Task Force meeting be taking place? *Staff will send out an e-mail regarding this (an e-mail was sent on 10/27/05 noting that the December meeting has been rescheduled to occur on December 14th).*

Outline of Evergreen Vision Strategy Document

- Agenda item deferred in order to end the meeting at 8:30 p.m., rather than at 9:00 p.m.

Draft Evergreen Development Policy

General

- Felipe Juarez suggested that it would be helpful to have the Task Force's previous comments available during the meeting.
- Chair Dave Cortese reminded the Task Force that the draft policy should be held to the Guiding Principles.
- George Perez commented that the draft EDP is at odds with the guiding principles.

Traffic

- Homing Yip commented that there is a need to address traffic issues and that there is a disregard of residents' needs/concerns.
- Jenny Chang stated the policy favors the developers by allowing too much impact to traffic and schools. Not much would be gained with the proposed traffic improvements. More traffic improvements should be included to maintain a minimum LOS 'D'. LOS 'E' and 'F' are not acceptable.
- Jim Zito suggest that the EDP provide more background on traffic problems and mention the current predicament at the Tully Road and Capitol Expressway interchanges in the Background section of the draft policy. Mr. Zito also noted that this area is not eligible for protection of intersections under current EDP.
- Chair Dave Cortese noted that the delay of light rail has significant implications for the policy. Transit Oriented Development (TOD) may not make sense for the Arcadia site.
- Ike White expressed concern that the traffic studies would only address major intersections and not address the impact on residential streets.
- Jim Zito suggested that the discussion should include any traffic mitigations would take place regardless of the Evergreen ♦ East Hills Vision Strategy (i.e., at King Road and Aborn Road).
- Jim Zito recommended against specifying increasing the traffic impact fee annually by 3.3 percent, should be adjusted by Consumer Price Index (CPI).
- Jim Zito commented that there are a lot of good things in the draft EDP. However, the background section should be expanded to explain that Evergreen is land-locked with only two ways in and out. The EDP sheds a lot of light on the predicament facing the area. There's not enough discussion of light rail short-term/long-term/interim.
- Chair Dave Cortese explained that the VTA has a scenario to push back light rail to 2018 (will vote on in a month). If Arcadia is not developed as a Transit Oriented Development (TOD) site then the whole proforma topples if there is not enough development to pay for improvements and amenities.

Schools

- Lov Kvitek pointed out that school issues are not mentioned in the draft policy. The City should address school issues. The City has a responsibility to maintain the quality of schools.

- J. Manuel Herrera stated that historically there has been a tension between cities and schools. The discussion of schools is invisible in the EDP document. Mr. Herrera commended the City for having a process that involves schools, but that there needs to be provisions for land banking. He expressed his expectation that the development community will be a partner, but not have to bear the full costs.

Amenities and Transportation Improvements

- Lou Kvitek asked how much will developers pay for traffic improvements (i.e., highway 101 interchanges)? Has the developer contribution been scaled back? Want a presentation of what developers are going to provide.
- Joe Head agreed that EDP should include more detail on what is being proposed.
- Ike White suggested that Section VI -Community Amenities does not include amenities for Pleasant Hills.
- Khanh Nguen asked for more details about each development phase (i.e., when? What? Where?).

Phasing

- A Task Force member asked if the cost estimates adjusted and how the estimates would deal with cost increases? *Andrew Crabtree, senior planner with the PBCE Department, explained that the cost estimates are based on 2005 figures.*
- Mark Milioto asked based on City's lack of funding to operate Fowler Creek Park, are there adequate safeguards to ensure operation and maintenance funding will be adequate?
- Homing Yip suggested that Fowler Creek Park not be included in the first phase of development.
- Kip Harkness expressed a desire to see more details about the traffic improvements, including how much they will cost and where the traffic improvements would take place?
- Carolyn Gonot asked why traffic impact fees are only imposed on residential uses? *Manuel Pineda, senior civil engineer with DOT, explained that residential uses have greater traffic impacts, particularly during peak hours. Chair Dave Cortese indicated a difference of opinion.*
- Chair Dave Cortese suggested that phasing of amenities should be coordinated with the intentions of the developers, particularly when turn-key development is anticipated. Refer to Guiding Principles.
- Nancy Dellamattera suggested that the Task Force study the equitable distribution of the proposed amenities and who are expected to use them.
- Would like more information about the phasing of amenities. Which properties will be developed first? What amenities are proposed on those properties?
- Spreading community amenities throughout the area would increase traffic impacts. Need to look at who will be using these amenities and plan accordingly.

- Bob Levy asked to see more details about the proposed community amenities. What are the specific amenities proposed? How are they linked to area population? How much will they cost?
- Gordon Lund asked how does the CFD fit in? In addition to the developer contribution, what are the other sources of funding?
- Joe Head noted that the developers would provide amenities through both ‘turn-key’ projects and cash contributions.
- Ike White commented that the Mount Pleasant youth sports facility is not correctly included in the phasing schedule.
- Maria Lopez asked for more details on the size of parks. Soccer fields are not included.
- A Task Force member suggested looking at the demand for parks, which would determine where parks should be located.
- Bob Levy indicated that there should be a discussion of the parkland dedication ordinance (PDO).
- Sylvia Alvarez asked what does “grants to schools or renovate neighborhood parks” mean? *Andrew explained that this includes enhancements to existing schools to accommodate joint use schools and parks.*
- Ike White asked if the school district can negotiate joint use issues? Mr. White expressed his concern that schools may be short-changed. *Andrew explained that this issue is in the City’s existing Greenprint.*
- Homing Yip asked for more details of the traffic improvements.
- Gordon Lund suggested the need to ensure that the proposed amenities would be implemented, whether it be through turn-key, developer funding, etc. Mr. Lund asked how does this budget fit in with the district’s budget and how does it fit in with other public investments/sources of money?
- Carolyn Gonot commented that the policy should be able to respond to changes and that there needs to be flexibility with the phasing of transportation improvements to allow leveraging of other funding sources and to respond to specific traffic conditions at the time of development. Ms. Gonot asked how the EDP is designed to respond to changes?

Retail Market Study

- Nanci Klein, Office of Economic Development, reintroduced the Retail Study and explained that it is resource rather than a policy document. She summarized the study’s key conclusions: retail development can improve traffic conditions by reducing the need to travel long distances to retail sites; retail development contributes to the long-term viability of the community; retail is important for the City’s finances; and the demographics of the project area supports opportunity for additional retail development. The key question is “what would successful/good retail be?”

- Jim Zito suggested that there is a correlation between the number of homes and city service requirements. Mr. Zito asked for more information on the cost of services for residential development in relation to the revenue needed from commercial development.
- Dave Zenker expressed his disappointment in the retail market study, stating that it does not reflect the current situation in Evergreen. Mr. Zenker stated that there was no discussion of restaurants, only discussion regarding supermarket. Mr. Zenker asked why the market study recommend having more supermarkets when there are currently two struggling supermarkets in the area?
- Another Task Force member added to Mr. Zenker's comment that restaurants are not adequately addressed and there needs to be a study to show where restaurants will thrive.
- Chair Dave Cortese offered that it is not good to have more retail if it causes the demise of existing retail. Retail should be market driven. Need additional retail analysis. Study should be consistent with the Guiding Principles.
- Dave Zenker suggested that the retail study should include other necessary commercial uses such as fitness centers.
- Chair Dave Cortese noted that a five-acre commercially zoned property on San Felipe Road is not accounted for in this market study. Chair Cortese added a question about how Eastridge Mall and the new tenants fit in with the market study.
- Maria Lopez commented that 300,000 square feet of retail on Arcadia seems like a big figure and recommended reducing retail to 150,000 square feet in order to reduce traffic impacts.
- George Perez suggested that retail in this area should look like the rest of the city. Need accessibility to a variety of commercial uses such as a theater, bowling alley, fitness centers, etc. Mr. Perez also suggested that the market study include adjacent major commercial areas (e.g., Mervyn's site being converted to a Home Depot at Story/White).
- Homing Yip commented that the market study did not address the area's two different spending patterns.
- A Task Force member indicated that La Rochelle Winery would be a location for commercial uses.
- Mike Hill commented that the market study is objective and if the Task Force does not accept the study, what else can Task Force's decision be based on?

Public Comments

- Todd Jones, an Evergreen resident, stated that he was a co-owner of the Silver Creek Fitness and Physical Therapy in the Evergreen Village. He expressed concern over possible impacts from the retail development at Evergreen Valley College. Todd asked who paid to have the retail market study completed, and whether it was peer reviewed. He indicated that the wording of the market study appeared to favor a particular interest group. The market study left out major grocery stores located on the fringes of the Evergreen ♦ East Hills area (i.e., Wal-mart and Costco). The study also left out local mom-and-pop grocery stores located in the immediate area. Shapell assured business

owners that the Evergreen Village Center would be successful and that there would be no further development of grocery stores and large commercial uses in the immediate area. However, the shopping center has been struggling for the last three years.

- Ed Abelite, an Evergreen resident, stated that he was the managing general partner of Canyon Creek Plaza. He opposes further retail expansion at the Evergreen Valley College site. Contrary to what the market study concluded, this area cannot support another grocery store. Cosentino's and Lundari's are operating below their projected sales. Developing another grocery store would jeopardize these existing stores. Ed indicated that he was not contacted about this market study.
- Stephanie Schaaf, with EHC Lifebuilders, stated that affordable housing should be a priority in Evergreen. Below market-rate homes generates less traffic than market rate homes.
- George Silvestri, attorney for Lunardi's, stated that the grocery store relied on Shapell's projections and the October 23, 1996 letter from Vice Chancellor Michael Hill of the San Jose/Evergreen Community College District. George recommended that the market study have peer review.
- Charles Welsh, an Evergreen resident, stated that was the owner of Great Clips in the Evergreen Village. He indicated that the shopping center exists because the City and Evergreen Valley College agreed not to put a grocery store at Yerba Buena Road and San Felipe Road. The proposed grocery store would devastate the already struggling grocery stores and retail stores existing in this area. Charles requested that the City and community college honor their joint commitment to not put a large grocery store at Yerba Buena Road and San Felipe Road.
- Vic DeMello, with Walgreens, stated that the store decided to locate in Evergreen because of the October 23, 1996 letter from Vice Chancellor Michael Hill of the San Jose/Evergreen Community College District. Vic indicated that the two existing supermarkets would not survive if the proposed new supermarket is developed.
- Kent Connors, with MegaByte Pizza Co., stated that the restaurant was located in Canyon Creek Plaza. He indicated that MegaByte Pizza Co. was barely making it, and that two other restaurants in the plaza are doing worse. The proposed shopping center will have a negative impact on existing commercial uses. Kent recommended that staff discuss the market study with retail consultants.
- Terry Gotcher requested clarification of possible widening of White Road north of Ocala Avenue. He expressed concern over possible impacts on the school on White Road.
- Jose Aranda, co-chair of the West Evergreen Strong Neighborhoods Initiative and Neighborhood Advisory Committee, asked if the existing 100,000 square feet of retail does not work, how could 300,000 square feet of retail work? He asked why would the City want more retail development than the developers propose? He stated disappointment with the process and indicated that it has been taking years and a concern over the outcome if some neighborhoods support development of nearby opportunity sites while other neighborhoods do not support development of the opportunity sites in their area.